

# Exhibit B

## Complaint

BEN DUPRE, Bar No. 231191  
2005 De La Cruz Bld., Suite 203  
Santa Clara, CA 95050  
Tel: 408-727-5377  
Fax: 408-727-5310  
bendupre@gmail.com

ENTERED  
JAN 14 2 10 PM  
J. CAO-NGUYEN

Counsel for the Plaintiff, Miguel Bolanos

**SANTA CLARA SUPERIOR COURT - SANTA CLARA COUNTY**  
**(UNLIMITED DIVISION)**

MIGUEL BOLANOS,	) Case No.:	<b>113CV257551</b>
Plaintiff,	)	
v.	) DEMAND FOR JURY TRIAL	
TRANS UNION, LLC, DOES 1-10,	)	
Defendants.	)	

**I. INTRODUCTION**

1. Despite knowing about Mr. Bolanos' chapter 13 bankruptcy discharge, Trans Union is falsely reporting information about Mr. Bolanos' mortgage loan, as well as falsely stating he owed over one thousand dollars. Trans Union continues to falsely report this information, despite receiving Mr. Bolanos' dispute and request to correct. Mr. Bolanos' sent Trans Union a dispute letter stated, in substance, that his mortgage loan was modified and Trans Union had incorrectly stated the mortgage loan's interest rate and frequency of when the rate changes. In addition, Mr. Bolanos' disputed (among other things) that he owed over \$1,000 on an HSBC Levitz account that was included as part of his bankruptcy. Despite Mr. Bolanos' dispute letter (which included his loan

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modification agreement, supporting bankruptcy documentation, such as his order approving loan modification and his bankruptcy discharge order), Trans Union failed to properly resolve this matter, and instead ignored it.

2. As a result of defendants unlawful acts and omissions, Mr. Bolaños has suffered emotional distress, including frustration, stress, embarrassment (including getting turned down for credit), humiliation, anger, anxiety, among other negative emotions.

3. Trans Union's conduct is part of a business plan and practice of unlawful credit reporting warranting punitive damages. Trans Union has a history or plan of unlawful credit reporting practices similar to herein, including but not limited to: - See *White v. Trans Union, LLC*, 462 F. Supp. 2d 1079, 1080, 1084 (C.D. Cal. 2006)(reporting false information post discharge).

4. According to the most recent FTC Study conducted in December 2012<sup>1</sup>, one in five consumers had an error on at least one of their three credit reports.

5. As the 9<sup>th</sup> Circuit has stated, "The legislative history of the FCRA reveals that it was crafted to protect consumers from the transmission of inaccurate information about them". *Guimond v. Trans Union Credit Information Co.* (1995) 45 F.3d 1329

According to the FCRA, 15 U.S.C. 1681:

(4) There is a need to insure that consumer reporting agencies exercise their grave responsibilities with fairness, impartiality, and a respect for the consumer's right to privacy.

6. As another Circuit Court has stated:

"With the trend toward computerization of billings and the establishment of all sorts of computerized data banks, the individual is in great danger of having his life and character reduced to impersonal "blips" and key-punch holes in a stolid

<sup>1</sup> FTC Report to Congress Under Section 319 of the Fair and Accurate Credit Transactions Act of 2003

6. Defendants are authorized to do business and do business in California.
7. Jurisdiction of this Court arises under California Civil Code of Procedure sections 395 and 395.5.
8. Venue is proper in that Defendants transact business here and the conduct complained of occurred here.

9. Plaintiff, Miguel Bolanos ("Mr. Bolanos"), is a natural person residing in San Jose, California. Mr. Bolanos is a "person" as defined by 15 U.S.C. section 1681a(b), and a consumer as defined by 15 U.S.C section 1681a(c).
10. Defendant, Trans Union, LLC ("Trans Union") and its associated entity Trans Union Corp (herein referred to collectively as "Trans Union") is a Delaware corporation which was doing business at all relevant times in Santa Clara County and throughout California. Trans Union's principal place of business is 555 W. Adams Street, Chicago, IL 60661.
11. Trans Union is a consumer reporting agency, as that term is defined under Title 15 U.S.C. 1681a(f).
12. Defendants, Does 1 through 10 are persons or entities whose true names and capacities are presently unknown to Mr. Bolanos, and who there are sued by such fictitious names.

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1 13. Mr. Bolanos is informed and believes and thereon alleges that each of the fictitiously  
 2 named Defendants perpetrated some or all of the wrongful acts alleged herein, is  
 3 responsible in some manner for the matters alleged herein, and is jointly and severally  
 4 liable to Mr. Bolanos. Mr. Bolanos will seek leave of court to amend this complaint to  
 5 state the true names and capacities of such fictitiously named defendants when  
 6 ascertained.

7 14. Mr. Bolanos alleges that at all times herein mentioned, each of the Defendants was, and  
 8 is now, the agent, servant, employee and/or other representative of the other  
 9 Defendants. And in doing the things herein alleged, Defendants were acting in the  
 10 scope, purpose and authority of such agency, service of employment, and/or other  
 11 representative capacity with the permission, knowledge, consent, and ratification of the  
 12 other Defendants.

13 15. Defendants authorized, approved, and/or ratified the acts herein.

14 16. Any reference hereinafter to "Defendant" or "Defendants" without further qualification  
 15 is meant by Mr. Bolanos to refer to all the defendants above.

#### 16 IV. FACTS

##### 17 Mr. Bolanos Files for Chapter 13 Bankruptcy Protection

18 17. On or about December 2009, Mr. Bolanos sought protection from his creditors by filing  
 19 a voluntary Chapter 13 bankruptcy petition in the United States Bankruptcy Court for  
 20 the Northern District of California, case number 09-60888

21 18. Soon after the filing of the bankruptcy petition, Trans Union was notified of Mr.  
 22 Bolanos' bankruptcy.

23 19. On February 1, 2010, the meeting of creditors (section 341(a)) was held in San Jose,  
 24 California.

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1 **During the Pendency of the Bankruptcy, Mr. Bolanos Modified His Mortgage**

2 20. During the pendency of the Bankruptcy, Mr. Bolanos modified his home mortgage.

3 21. The modification provided, in part, that Mr. Bolanos' mortgage would have a fixed rate  
4 of interest for the duration of the loan.

5 22. On or about March 10, 2010, the Bankruptcy Court issued an Order approving the  
6 mortgage modification.

7 **Defendant Trans Union was Notified that Mr. Bolanos Obtained a Discharge**

8 23. In March 2012, Mr. Bolanos completed his Chapter 13 plan payments and the Trustee  
9 administering the bankruptcy issued a Notice of Bankruptcy Completion.

10 24. On or about March 14, 2012, the bankruptcy court issued a Discharge Order, pursuant  
11 to 11 U.S.C. section 727, and the bankruptcy was successfully concluded.

12 25. On information and belief, on or about April 2012 (the date Plaintiff obtained his  
13 bankruptcy discharge), Defendant Trans Union became aware of Mr. Bolanos'  
14 bankruptcy discharge.

15 26. On information and belief, in 2012, Trans Union became aware of Mr. Bolanos'  
16 bankruptcy discharge.

17 27. On or about February 5, 2013 (the date Plaintiff sent Trans Union a dispute letter),  
18 Trans Union, again, became aware of Mr. Bolanos' bankruptcy discharge.

19 **Trans Union Falsely Reports Mr. Bolanos' Mortgage Finances**

20 28. In September 2012, in order to verify accurate reporting, Mr. Bolanos obtained his  
21 consumer report ("credit report"), as that term is defined under Title 15 U.S.C.  
22 1681a(d).

23 29. The Trans Union credit report dated September 2012 falsely showed information  
24 related to Mr. Bolanos' mortgage loan and finances.

25 30. The Trans Union credit report dated September 25, 2012 reported in a heading, entitled,

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1 "Adjustable Rate Mortgage Information" the following false information, among other  
 2 items:

- 3 • Next Rate Change Date: 07/2013
- 4 • Rate Change Frequency: Monthly
- 5 • Rate Change Interval: 12

6  
 7 31. The Trans Union credit report dated September 25, 2012 reported falsely that Mr.  
 8 Bolanos owed a balance of \$1,387.

9  
 10 Trans Union Ignored Mr. Bolanos and Continues to Falsely Report

11 32. In response, on or about February 5, 2013, Mr. Bolanos sent Trans Union a letter  
 12 disputing its inaccurate credit reporting, as described above.

13 33. Mr. Bolanos' dispute letter stated, in substance, that his mortgage loan was modified  
 14 and Trans Union had incorrectly stated the mortgage loan's interest rate and frequency  
 15 of when the rate changes.

16 34. In addition, Mr. Bolanos indicated, in substance, that his current loan has a fixed  
 17 interest rate of 4.83%.

18 35. In addition, Mr. Bolanos indicated, in substance, that he was including (with this  
 19 dispute letter) his loan modification agreement, and a court order approving the loan  
 20 modification, as well as his Trans Union credit report, identified as #326159068, dated  
 21 September 25, 2012 (containing the false and misleading information).

22 36. Mr. Bolanos indicated that the HSBC Levitz account should not have a balance because  
 23 he obtained a successful bankruptcy discharge.

24 37. After receiving notice of Mr. Bolanos's dispute, Trans Union continued to falsely and  
 25 inaccurately report Mr. Bolanos' mortgage loan information and finances.

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38. On or about February 26, 2013, Trans Union sent Mr. Bolanos a reinvestigation response letter in connection with Mr. Bolanos' February 2013 dispute letter.

39. On or about March 1, 2013, Mr. Bolanos received Trans Union's reinvestigation response letter and a copy of Mr. Bolanos' credit report.

40. Despite being noticed of Mr. Bolanos' letter disputing the inaccurate and misleading information, Trans Union willfully failed to take any action whatsoever to correct the disputed mortgage information published in Mr. Bolanos' Trans Union credit report.

41. Trans Union listed investigation results of the following items:

- Bank of America [REDACTED]
- Bank of America [REDACTED]
- Bank of America [REDACTED]
- Bank of America [REDACTED]
- American Honda Finance [REDACTED]
- Personal Information

42. None of the four (4) Bank of America items listed on the Investigation Results of Trans Union's letter dated February 26, 2013 were items Mr. Bolanos disputed to Trans Union, but inexplicably these items were listed.

43. Trans Union reported investigation results on items Mr. Bolanos never disputed with Trans Union.

44. Trans Union's reinvestigation results letter dated February 26, 2013 failed to mention whatsoever Mr. Bolanos' dispute regarding the false and inaccurate mortgage information.

45. Trans Union's reinvestigation of Mr. Bolanos' dispute regarding the mortgage information was unreasonable.

46. Trans Union, after receiving Mr. Bolanos' detailed dispute letter (which contained

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copies of his modified mortgage agreement, bankruptcy order approving the mortgage modification, etc.) should have discovered that reporting the variable mortgage rate information was false and inaccurate.

47. As such, Trans Union should have reported (to Mr. Bolanos) results of its reinvestigation indicating that the information was removed.

48. To date, Trans Union refuses to correct Mr. Bolanos' credit report.

**V. FIRST CLAIM FOR RELIEF – FRCA 1681i(a)(1)(A), i(a)(3)(B), i(a)(4), i(a)(6)(A), i(a)(2)(B), e(b)**

*Federal Fair Credit Reporting Act 15 U.S.C. 1681 et seq.*

49. Mr. Bolanos re-alleges and incorporates herein by this reference the allegations in each and every paragraph above, as though fully set forth herein.

**1681i Violations**

50. Trans Union acts and omissions violated section §1681i including, but not limited to the below:

- a. Trans Union failed to conduct a reasonable reinvestigation in response to Mr. Bolanos' dispute, per §1681i(a)(1)(A).
- b. Trans Union failed to record the current status of the disputed information. Alternatively, Trans Union failed to notify Mr. Bolanos of any determination that his dispute was frivolous, per §1681i(a)(3)(B).
- c. Upon information and belief, Trans Union failed to promptly provide HSBC Levitz and/or Bank of America (Mr. Bolanos' mortgage lender) with all relevant information regarding the dispute that it received by Mr. Bolanos, per §1681i(a)(2)(B).
- d. Trans Union failed to review and consider all relevant information submitted by Mr. Bolanos with respect to his dispute, per §1681i(a)(4).

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- c. Trans Union failed to provide Mr. Bolanos with written notice of the results of the reinvestigation with respect to his mortgage information dispute, per §1681i(a)(6)(A).

**1681e(b) Violations**

51. Trans Union's acts and omissions violated section §1681e(b), in that Trans Union failed to follow reasonable procedures to assure maximum possible accuracy of the information concerning Mr. Bolanos when it prepared a credit report of Mr. Bolanos, as well as the results of the reinvestigation it reported.
52. Trans Union's failure to correct the previously disclosed inaccuracies on Mr. Bolanos' credit report was intentional and in reckless disregard of its duties to ensure maximum possible accuracy in preparing a credit report, in conducting a reasonable reinvestigation, in reviewing and considering all relevant information submitted by the consumer, and notifying the consumer of the results of that reinvestigation.
53. On information and belief, Trans Union knowingly and intentionally failed to correct the erroneous credit information in direct violation of the Fair Credit Reporting Act.
54. Trans Union willfully, intentionally, and without any just cause failed to comply with its duty to conduct a proper investigation, among other duties.
55. Trans Union willfully and negligently failed to comply with its duty to investigate Mr. Bolanos' dispute under 15 U.S.C. §1681(n) & (o).
56. As a direct and proximate result of Trans Union's willful and untrue communications, Mr. Bolanos has suffered harm, as described above.
57. As a result of these allegations, Mr. Bolanos is entitled to collect actual damages, including emotional distress, punitive damages, and statutory damages, as determined by a trier of fact.

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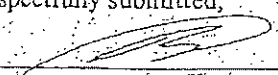
58. As a result of these allegations, Mr. Bolanos is entitled to collect reasonable attorney fees and costs.

**VI. PRAYER FOR RELIEF**

WHEREFORE, Mr. Bolanos, respectfully prays that judgment be entered against the Defendants for the following:

- A. Statutory damages pursuant to 15 U.S.C. §1681n
- B. Award punitive damages to deter further unlawful conduct pursuant to 15 U.S.C. §1681n;
- C. Costs and reasonable attorney's fees pursuant 15 U.S.C. §1681n and o;
- D. Actual damages against Defendant;
- E. For such other and further relief as may be just and proper.

Respectfully submitted,

  
Ben Dupre, Counsel for Mr. Bolanos

12/12/13  
Date

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